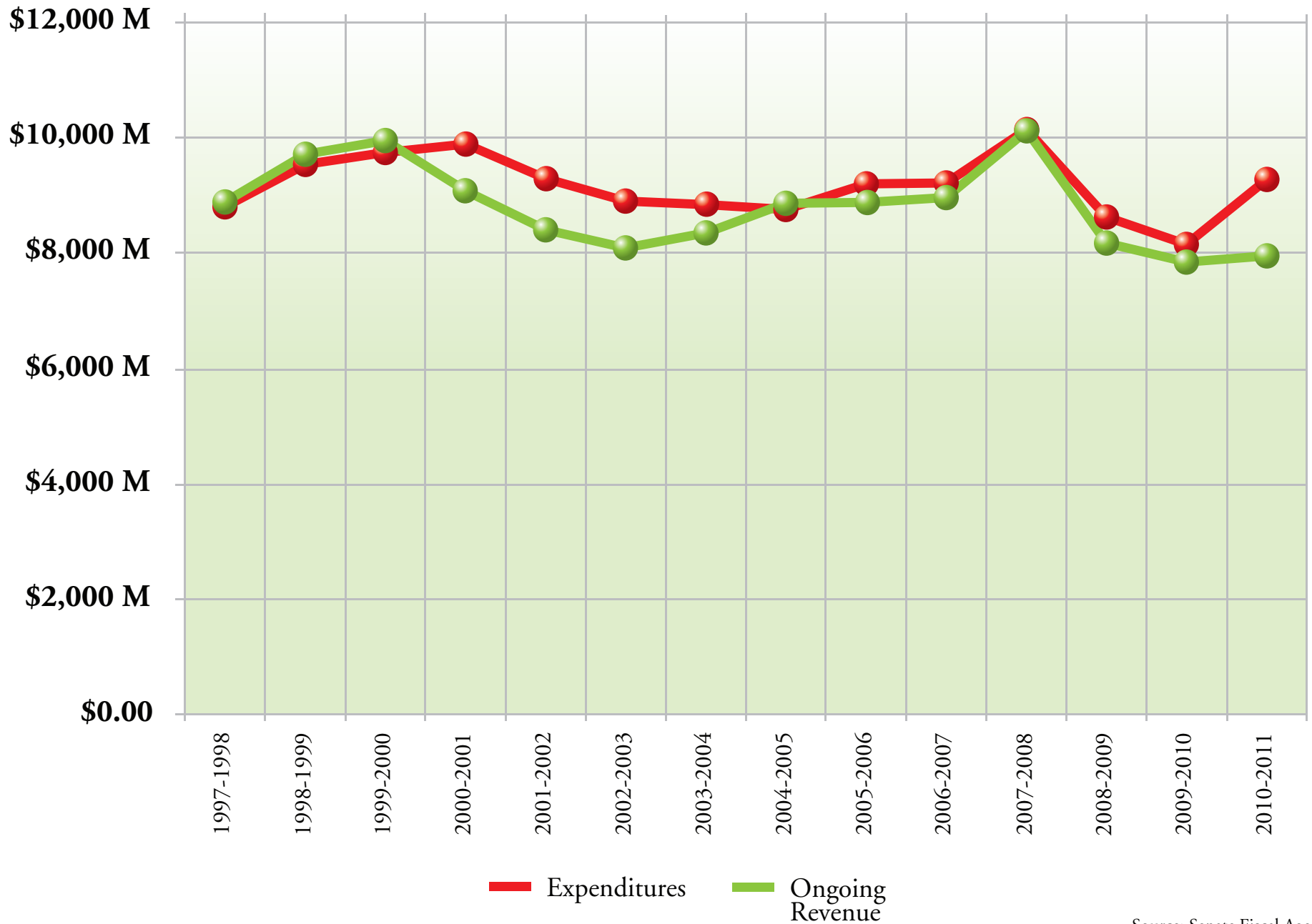

SENATE REPUBLICAN

“2010 - Year of the Reform”

10 Landmark Reforms to Stop
Out-of-Control Spending
& Move Michigan Forward

General Fund Expenditures vs. Revenues



Source: Senate Fiscal Agency

The background features a large, faint, circular seal of the Michigan Senate Majority Leader. The seal contains the text "MICHIGAN SENATE" at the top and "MAJORITY LEADER" at the bottom. In the center is a coat of arms with a shield, a sun, and a star, with the motto "SI QUÆRIS PENINSULAM AMENAM" at the bottom.

— OUR MISSION STATEMENT —

**Senate Republicans will pass reforms
that grow jobs and create a more efficient
and less costly government for
Michigan residents and job providers.**

SENATE REFORMS — 2009

PHASE 1 — GOVERNMENT EFFICIENCY - \$1.4 Billion

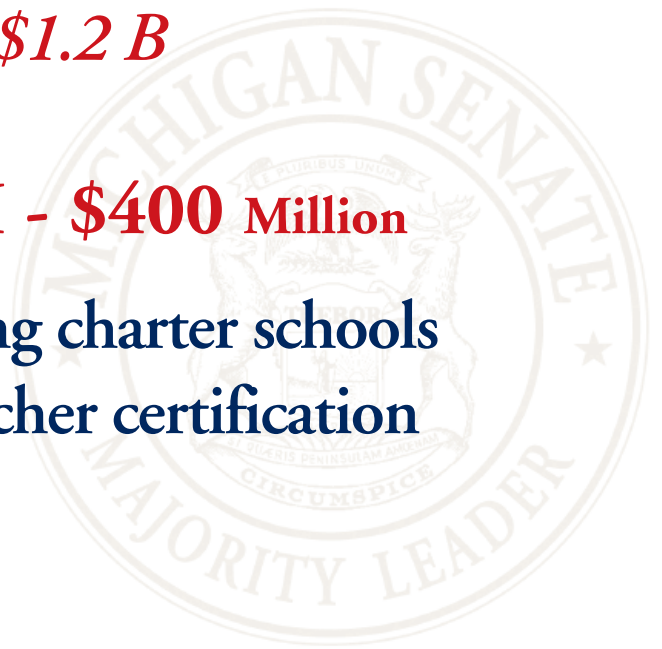


- Addressed unemployment insurance fraud *\$100 M*
- Addressed regulatory efficiency to improve business competitiveness
- Reduced corrections per-prisoner spending *\$38.2 M*
- Balanced FY 2010 budget with cuts *\$1.2 B*

PHASE 2 — EDUCATION REFORM - \$400 Million



- Allowed more high performing charter schools
- Created alternative paths to teacher certification
- Improved failing schools
- Improved teacher effectiveness



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SENATE REFORMS

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SENATE REFORMS — 2010



1. Public Employee Healthcare Reforms	\$615M
2. Local Police & Fire Reforms	\$70 - 118M
3. K-12 School Spending Reforms	\$363 - 663M
4. Medicaid Spending Reforms	\$160 - 500M
5. Government Efficiency Reforms	Indeterminate
6. Compensation Reform for Public Employees	\$1.2B
<hr/>	
Total Savings: \$2.24 - 2.6 B	

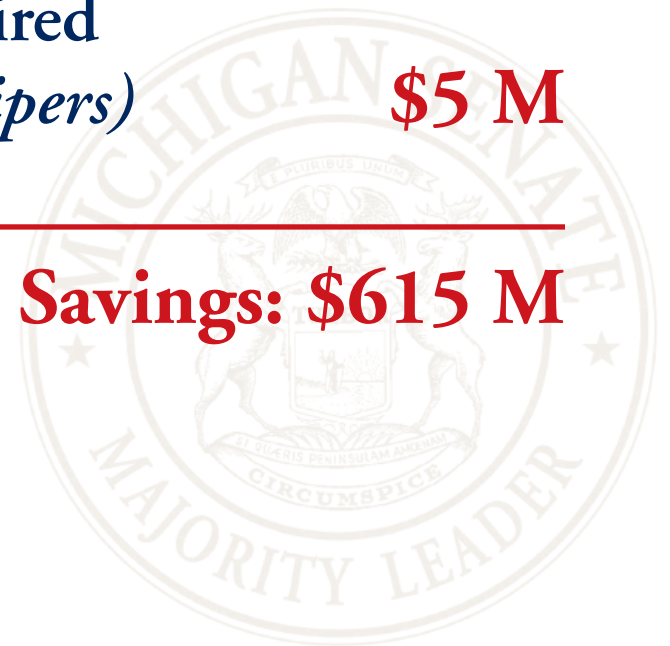
SENATE REFORMS — 2010

Public Employee Healthcare Reforms

a – require employees to pay 20-percent insurance premium (*Jansen/Sanborn*) **\$610 M**

b – benefit elimination for newly retired lawmakers' healthcare plans (*Kuipers*) **\$5 M**

Total Savings: \$615 M



SENATE REFORMS — 2010

Local Police & Fire Reforms

- a – encourage cooperation of local police and fire services by removing obstacles to consolidation
- b – expedite arbitration process for police and fire (PA 312 reform)

Total Savings: \$70 - 118 M



SENATE REFORMS — 2010

K-12 School Spending Reforms

a – reduce administrative costs in order to direct resources to classrooms **\$163 M**

b – require competitive bids for all K-12 non-instructional services (custodial, transportation and food services) **\$200 - 500 M**

Total Savings: \$363 - 663 M



SENATE REFORMS — 2010

Medicaid Spending Reforms

- a – maintain basic, essential healthcare services through elimination of some optional Medicaid services

Total Savings: \$160 - 500 M



SENATE REFORMS — 2010

Government Efficiency Reforms

- a – reduce number of state departments to 11
- b – combine all licensing and permitting under one
“Michigan Department of Business Assistance”

Indeterminate



SENATE REFORMS — 2010

Compensation Reform for Public Employees

a – 5-percent pay adjustment for all public servants

Total Savings: \$1.2 B



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**Many other government reforms
are in discussion and
planning stages. Reforming
government is an ongoing effort.**

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SENATE REPUBLICAN

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